

Minutes
Wylie Economic Development Corporation
Board of Directors Meeting

Friday, June 17, 2016 – 6:30 A.M.
WEDC Offices – Conference Room
250 South Highway 78 – Wylie, Texas

CALL TO ORDER

Announce the presence of a Quorum

President Marvin Fuller called the meeting to order at 6:31 a.m. Board Members present were Todd Wintters and Mitch Herzog.

Ex-officio member City Manager Mindy Manson was present.

WEDC staff present was Executive Director Sam Satterwhite, Assistant Director Jason Greiner and Senior Assistant Angel Wygant.

CITIZEN PARTICIPATION

With no citizen participation, President Fuller proceeded to Action Items.

ACTION ITEMS

ITEM NO. 1 – Consider and act upon approval of the May 31, 2016 Minutes of the Wylie Economic Development Corporation (WEDC) Board of Directors Meeting.

MOTION: A motion was made by Todd Wintters and seconded by Mitch Herzog to approve the May 31, 2016 Minutes of the Wylie Economic Development Corporation. The WEDC Board voted 3 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 2 – Consider and act upon approval of the May 2016 Treasurer's Report.

Staff informed the Board of an error in the Special Services section of the Treasurer's Report. An expense in the amount of \$1,800 described as 'Lot Survey - 111 N. Ballard' should have been described as 'TOPO Survey - Alanis Property'.

MOTION: A motion was made by Mitch Herzog and seconded by Todd Wintters to approve the May 2016 WEDC Treasurer's report as amended. The WEDC Board voted 3 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 3 – Consider and act upon issues surrounding the election of WEDC officers.

The Wylie City Council recently reappointed Mr. Marvin Fuller and Mr. Mitch Herzog to a three-year term as Members of the Wylie Economic Development Corporation Board of Directors. The appointees are to be sworn in by City Secretary Carole Ehrlich.

On an annual basis and following the selection of WEDC Board Members by the Wylie City Council, the WEDC elects officers for the upcoming year. Provided for Board review was Section V – Officers of the WEDC By-laws. Section V provides for the selection of Officers and the duties of the same.

President Fuller informed the Board that he had spoken with Board Member John Yeager and Mr. Yeager indicated he would be willing to serve another term as Board Secretary. Mr. Fuller inquired as to the interest of Board Members to continue in their current roles as officers and all indicated they were willing to continue in their current capacity.

In 2015-16 the WEDC Board of Directors elected the following officers:

Marvin Fuller.....	President
Mitch Herzog	Vice President
John Yeager	Secretary
Todd Wintters.....	Treasurer

MOTION: A motion was made by Todd Wintters and seconded by Mitch Herzog to elect the following individuals as WEDC officers for FY 2016-2017: Marvin Fuller - President, Mitch Herzog - Vice President, John Yeager - Secretary, and Todd Wintters - Treasurer. The WEDC Board voted 3 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 4 – Consider and act upon the establishment of a Regular Meeting Date and Time for the WEDC Board of Directors for FY 2016 - 2017.

Section 4.07 of the WEDC By-laws states that the President of the Board shall set a regular meeting date and time at the beginning of his/her term. With officers elected via the last Action Item, the WEDC President is required to establish the Regular Meeting date/time.

President Fuller asked the WEDC Board Members if the current Regular Meeting time/dates, being the third Friday of each month at 6:30 a.m., was still convenient for all Board Members or if there needed to be a change. All Board Members present preferred to keep the date/time the same.

MOTION: A motion was made by Mitch Herzog and seconded by Todd Wintters to set the Regular Meeting date/time for the 2016-17 WEDC Board Meeting as the third Friday of each month at 6:30 a.m. The WEDC Board voted 3 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 5 – Consider and act upon issues surrounding the FY 2016-17 WEDC Budget.

Staff presented the first draft of the FY 2016-17 WEDC Budget. Staff made an oral presentation covering the line items of the budget. Issues discussed are as follows:

Revenues:

- Staff proposed total revenues of \$4.7 mm which included \$2,467, 295 in sales tax, a beginning fund balance of \$665,686, sale of WEDC property at \$1,350,000, infrastructure reimbursement of \$115,758, and lease income from WEDC properties of \$69,000.

Expenses:

- Seventy-five pad folios will be purchased at a cost of \$2,000 (lasting two years) for presentations made to public groups including Leadership Wylie and ICAN and well as distribution to WEDC clients;
- The WEDC will continue its partnership with the Library in funding \$5,000 for maintenance and new materials;
- Of the sixteen incentive agreements the WEDC will be funding in 16-17, seven projects will be at the end of the specific commitment for that program representing a cumulative \$278,173 that will not be required to be funded in 17-18. Also, the KREA budgeted H&M Tax Reimbursement was amended from \$105,000 to \$78,750 to reflect a nine-month funding period opposed to 12 months. Total Incentives budget are \$1,399,607 which includes \$545,410 in Future Projects.
- Advertising was presented with a total budget of \$62,850 which included \$18,600 for a 4Most Business Program complimenting the BRE Program. Staff commented that some monies within the Advertising Budget need to be reallocated to increase a Regional Marketing Initiative which was presented with only a \$10,000 budget. Board Member Herzog commented that regional marketing has not received as much attention as necessary in terms of a budget commitment and that the \$10,000 that the WEDC has budgeted in the past was not an effective use of resources for the task being attempted to accomplish. Board Member Herzog further directed staff to bring back a budget amount which is more realistic and can begin to accomplish the goal of promoting the Wylie community in terms of business opportunities and quality of life.
- \$5,500 has been allocated within Training for the Assistant Director to take three classes toward his Economic Development Accreditation.
- \$2,500 was allocated within Dues to join the DFW Marketing Team.
- The Linduff/Edge Note will move into principal & interest payments totaling \$204,719.
- Based upon the imminent sale of WEDC property, \$1,000,000 has been allocated to principal reduction within Debt Service.
- Within Land, \$250,000 has been budget for acquisition, \$8,366 has been budgeted for closing costs, and \$70,500 budgeted for real estate commissions.
- Within Streets & Alleys \$331,300 has been budgeted for pad site infrastructure improvements and \$60,000 for downtown parking improvements. However, the Board indicated that even though money has been allocated, staff is to bring back an Action Item for consideration of the downtown parking issue.
- The WEDC will continue funding Interdepartmental Assistance of \$5,000 for accounting services from the Finance Department.

Staff recommended tabling Budget consideration following Board input and will submit a final budget document in July.

MOTION: A motion was made by Mitch Herzog and seconded by Todd Wintters to table discussion of the WEDC Budget until the next WEDC Board Meeting. The WEDC Board voted 3 – FOR and 0 – AGAINST in favor of the motion.

DISCUSSION ITEMS

ITEM NO. 5 – Staff Report: reviewed issues surrounding WEDC Performance Agreement Summary, signage for WEDC pad sites, 605 Commerce, Von Runnen Holdings, demolition of WEDC properties, Patna Properties, and regional housing starts.

WEDC Performance Agreement Summary

Attached for the Board's review was a summary of all outstanding Performance Agreements including: Ascend Custom Extrusion, All State Fire Equipment, B&B Theatres Operating Company, Clark Street Development, Dank Real Estate, Exco Extrusion Dies, FLM Development, Freudiger Holdings, Getset, KREA Acquisition, Patna Properties, VIAA Properties, Von Runnen Holdings, Woodbridge Crossing and the Wedge Corporation.

Sales tax reimbursement reports were attached to the Performance Agreement Summary for Woodbridge Crossing and CSD Woodbridge. Inventrust (owners of Woodbridge Crossing) is eligible to receive up to \$6 mm in sales tax reimbursement through September 2021. Approximately \$3.51 mm has been reimbursed through April 2016. CSD has received \$148,993 in sales tax reimbursements, along with a \$100,000 infrastructure assistance grant, and is eligible to receive up to a cumulative \$1.1 mm through February 2024.

Signage for WEDC Pad Sites

Currently promoting WEDC pad sites on Highway 78 is a single-sided sign adjacent and parallel to the highway. Staff is somewhat unhappy with the visibility and is having a duplicate sign made to be installed in a V-shaped configuration with improved site line from north and south bound traffic.

605 Commerce

Attached for the Board's review was a spreadsheet tracking all activities with W&M Environmental for FY 2014-15 and FY 2015-16. W&M has prepared Phase I & II reports for Mann Made, K&M, Business Way, is processing the VCP application for the Commerce property, and processing the Municipal Setting Designation through the City.

Von Runnen Holdings

A copy of an email from John Von Runnen was attached for the Board's review.

Hi Sam,

I was just thinking about how thankful I am for you and the Economic Development Committee. It is such a blessing to have the funds you guys gave to us. I just want to make sure you know how thankful we are! Thank you for helping make our business more successful!

Demolition of WEDC properties

Intercon has completed demolition of the Mann Made and Exco properties. Intercon is waiting until the site is dry to grade it properly. Demolition of the remaining six structures will begin on or about July 1.

Patna Properties

Dr. Tanvir Ahmed will complete construction of his 4,283 square foot building located on Kirby St. on or about July 1st. While personally occupying approximately 3,100 square feet, Dr. Ahmed has already secured a tenant for the remaining 1,183 square feet with the lease space being finished out simultaneously with Dr. Ahmed's offices.

Regional Housing Starts

One hundred one homes were permitted in Wylie for the month of May 2016. Sachse, Lavon, Murphy and Inspiration permitted a combined total of thirty-four homes over the same period.

EXECUTIVE SESSION

Recessed into Closed Session at 7:18 a.m. in compliance with Section 551.001, et.seq. Texas Government Code, to wit:

Section 551.072 (Real Estate) of the Local Government Code, Vernon's Texas Code Annotated (Open Meetings Act). Consider the sale or acquisition of properties located near the intersection of:

- Cooper Drive & State Highway

Section 551.087 (Economic Development) of the Local Government Code, Vernon's Texas Code Annotated (Open Meetings Act).

- Project 2016-1a
- Project 2016-1b
- Project 2016 6a

Section 551.074 (Personnel Matters) of the Local Government Code, Vernon's Texas Code Annotated (Open Meetings Act).

- Performance Evaluation of WEDC Personnel

Jason Greiner and Angel Wygant left the meeting at 8:06 a.m. and returned at 8:20 a.m.

RECONVENE INTO OPEN MEETING

The WEDC Board of Directors reconvened into open session at 8:21 a.m. and took no action.

ADJOURNMENT

With no further business, President Fuller adjourned the WEDC Board meeting at 8:21 a.m.



Marvin Fuller, President

ATTEST:



Samuel Satterwhite, Director